

Substitute Bill No. 475

February Session, 2006

`\_\_\_\_SB00475HS\_APP031506\_\_\_\_\*

## AN ACT CONCERNING REVISIONS TO THE HUSKY PLAN, PART A AND PART B.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 17b-261 of the 2006 supplement to the general
- 2 statutes is repealed and the following is substituted in lieu thereof
- 3 (Effective July 1, 2006):
- 4 (a) Medical assistance shall be provided for any otherwise eligible
- 5 person whose income, including any available support from legally
- 6 liable relatives and the income of the person's spouse or dependent
- 7 child, is not more than one hundred forty-three per cent, pending
- 8 approval of a federal waiver applied for pursuant to subsection (d) of
- 9 this section, of the benefit amount paid to a person with no income
- 10 under the temporary family assistance program in the appropriate
- 11 region of residence and if such person is an institutionalized
- 12 individual as defined in Section 1917(c) of the Social Security Act, 42
- 13 USC 1396p(c), and has not made an assignment or transfer or other
- 14 disposition of property for less than fair market value for the purpose
- of establishing eligibility for benefits or assistance under this section.
- 16 Any such disposition shall be treated in accordance with Section
- 17 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of
- 18 property made on behalf of an applicant or recipient or the spouse of
- 19 an applicant or recipient by a guardian, conservator, person

authorized to make such disposition pursuant to a power of attorney or other person so authorized by law shall be attributed to such applicant, recipient or spouse. A disposition of property ordered by a court shall be evaluated in accordance with the standards applied to any other such disposition for the purpose of determining eligibility. The commissioner shall establish the standards for eligibility for medical assistance at one hundred forty-three per cent of the benefit amount paid to a family unit of equal size with no income under the temporary family assistance program in the appropriate region of residence, pending federal approval, except that the medical assistance program shall provide coverage to persons under the age of nineteen up to one hundred eighty-five per cent of the federal poverty level without an asset limit. Said medical assistance program shall also provide coverage to persons under the age of nineteen and their parents and needy caretaker relatives who qualify for coverage under Section 1931 of the Social Security Act with family income up to one hundred fifty per cent of the federal poverty level without an asset limit, upon the request of such a person or upon a redetermination of eligibility. Such levels shall be based on the regional differences in such benefit amount, if applicable, unless such levels based on regional differences are not in conformance with federal law. Any income in excess of the applicable amounts shall be applied as may be required by said federal law, and assistance shall be granted for the balance of the cost of authorized medical assistance. All contracts entered into on and after July 1, 1997, pursuant to this section shall include provisions for collaboration of managed care organizations with the Healthy Families Connecticut Program established pursuant to section 17a-56, as amended. The Commissioner of Social Services shall provide applicants for assistance under this section, at the time of application, with a written statement advising them of the effect of an assignment or transfer or other disposition of property on eligibility for benefits or assistance.

(b) For the purposes of the Medicaid program, the Commissioner of Social Services shall consider parental income and resources as

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available to a child under eighteen years of age who is living with his or her parents and is blind or disabled for purposes of the Medicaid program, or to any other child under twenty-one years of age who is living with his or her parents.

- (c) For the purposes of determining eligibility for the Medicaid program, an available asset is one that is actually available to the applicant or one that the applicant has the legal right, authority or power to obtain or to have applied for the applicant's general or medical support. If the terms of a trust provide for the support of an applicant, the refusal of a trustee to make a distribution from the trust does not render the trust an unavailable asset. Notwithstanding the provisions of this subsection, the availability of funds in a trust or similar instrument funded in whole or in part by the applicant or the applicant's spouse shall be determined pursuant to the Omnibus Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of this subsection shall not apply to special needs trust, as defined in 42 USC 1396p(d)(4)(A).
- (d) The transfer of an asset in exchange for other valuable consideration shall be allowable to the extent the value of the other valuable consideration is equal to or greater than the value of the asset transferred.
- (e) The Commissioner of Social Services shall seek a waiver from federal law to permit federal financial participation for Medicaid expenditures for families with incomes of one hundred forty-three per cent of the temporary family assistance program payment standard.
- (f) To the extent permitted by federal law, Medicaid eligibility shall be extended for one year to a family that becomes ineligible for medical assistance under Section 1931 of the Social Security Act due to income from employment by one of its members who is a caretaker relative is employed or due to receipt of child support income. A family receiving extended benefits on July 1, 2005, shall receive the balance of such extended benefits, provided no such family shall

86 receive more than twelve additional months of such benefits.

(g) An institutionalized spouse applying for Medicaid and having a spouse living in the community shall be required, to the maximum extent permitted by law, to divert income to such community spouse in order to raise the community spouse's income to the level of the minimum monthly needs allowance, as described in Section 1924 of the Social Security Act. Such diversion of income shall occur before the community spouse is allowed to retain assets in excess of the community spouse protected amount described in Section 1924 of the Social Security Act. The Commissioner of Social Services, pursuant to section 17b-10, may implement the provisions of this subsection while in the process of adopting regulations, provided the commissioner prints notice of intent to adopt the regulations in the Connecticut Law Journal within twenty days of adopting such policy. Such policy shall be valid until the time final regulations are effective.

**I**(h) The Commissioner of Social Services shall, to the extent permitted by federal law, or, pursuant to an approved waiver of federal law submitted by the commissioner, in accordance with the provisions of section 17b-8, impose the following cost-sharing requirements under the HUSKY Plan, on all parent and needy caretaker relatives with incomes exceeding one hundred per cent of the federal poverty level: (1) A twenty-five-dollar premium per month per parent or needy caretaker relative; and (2) a copayment of one dollar per visit for outpatient medical services delivered by an enrolled Medicaid or HUSKY Plan provider. The commissioner may implement policies and procedures necessary to administer the provisions of this subsection while in the process of adopting such policies and procedures as regulations, provided the commissioner publishes notice of the intent to adopt regulations in the Connecticut Law Journal not later than twenty days after implementation. Policies and procedures implemented pursuant to this subsection shall be valid until the time final regulations are adopted.]

[(i)] (h) Medical assistance shall be provided, in accordance with the

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- 119 provisions of subsection (e) of section 17a-6, to any child under the
- supervision of the Commissioner of Children and Families who is not
- receiving Medicaid benefits, has not yet qualified for Medicaid benefits
- or is otherwise ineligible for such benefits because of institutional
- status. To the extent practicable, the Commissioner of Children and
- 124 Families shall apply for, or assist such child in qualifying for, the
- 125 Medicaid program.
- 126 (i) The Commissioner of Social Services shall provide Early and
- 127 Periodic, Screening, Diagnostic and Treatment program services, as
- required by 42 USC 1396a(a)(43), 42 USC 1396d(a)(4)(B) and 42 USC
- 129 1396d(r) and applicable federal regulations to all persons who are
- 130 <u>under the age of twenty-one and otherwise eligible for medical</u>
- 131 assistance under this section.
- Sec. 2. Section 17b-292 of the 2006 supplement to the general statutes
- is repealed and the following is substituted in lieu thereof (*Effective July*
- 134 1, 2006):
- 135 (a) A child who resides in a household with a family income which
- exceeds one hundred eighty-five per cent of the federal poverty level
- and does not exceed three hundred per cent of the federal poverty
- level may be eligible for subsidized benefits under the HUSKY Plan,
- 139 Part B.
- (b) A child who resides in a household with a family income over
- three hundred per cent of the federal poverty level may be eligible for
- unsubsidized benefits under the HUSKY Plan, Part B.
- 143 (c) Whenever a court or family support magistrate orders a
- 144 noncustodial parent to provide health insurance for a child, such
- parent may provide for coverage under the HUSKY Plan, Part B.
- 146 (d) A child who has been determined to be eligible for benefits
- 147 under either the HUSKY Plan, Part A or Part B shall remain eligible for
- 148 <u>such plan for a period of twelve months from such child's</u>
- determination of eligibility unless the child attains the age of nineteen

- or is no longer a resident of the state, regardless of changes in family
- 151 composition or family income. During the twelve-month period
- 152 <u>following the date that a child is determined eligible for the HUSKY</u>
- 153 Plan, Part A or Part B, the family of such child shall comply with
- 154 <u>federal requirements concerning the reporting of information to the</u>
- 155 <u>department</u>, including, but not limited to, change of address
- 156 <u>information</u>.
- [(d)] (e) To the extent allowed under federal law, the commissioner
- shall not pay for services or durable medical equipment under the
- 159 HUSKY Plan, Part B if the enrollee has other insurance coverage for
- the services or such equipment.
- [(e)] (f) A newborn child who otherwise meets the eligibility criteria
- 162 for the HUSKY Plan, Part B shall be eligible for benefits retroactive to
- his date of birth, provided an application is filed on behalf of the child
- within thirty days of such date.
- [(f)] (g) The commissioner shall implement presumptive eligibility
- 166 for children applying for Medicaid. Such presumptive eligibility
- determinations shall be in accordance with applicable federal law and
- 168 regulations. The commissioner shall adopt regulations, in accordance
- 169 with chapter 54, to establish standards and procedures for the
- designation of organizations as qualified entities to grant presumptive
- 171 eligibility. Qualified entities shall ensure that, at the time a
- 172 presumptive eligibility determination is made, a completed application
- 173 for Medicaid is submitted to the department for a full eligibility
- 174 determination. In establishing such standards and procedures, the
- 175 commissioner shall ensure the representation of state-wide and local
- 176 organizations that provide services to children of all ages in each
- 177 region of the state.
- [(g)] (h) The commissioner shall enter into a contract with an entity
- to be a single point of entry servicer for applicants and enrollees under
- the HUSKY Plan, Part A and Part B. The servicer shall jointly market
- both Part A and Part B together as the HUSKY Plan. Such servicer shall

develop and implement public information and outreach activities with community programs. Such servicer shall electronically transmit data with respect to enrollment and disenrollment in the HUSKY Plan, Part B to the commissioner.

[(h)] (i) Upon the expiration of any contractual provisions entered into pursuant to subsection [(g)] (h) of this section, the commissioner shall develop a new contract for single point of entry services and managed care enrollment brokerage services. The commissioner may enter into one or more contractual arrangements for such services for a contract period not to exceed seven years. Such contracts shall include performance measures, including, but not limited to, specified time limits for the processing of applications, parameters setting forth the requirements for a completed and reviewable application and the percentage of applications forwarded to the department in a complete and timely fashion. Such contracts shall also include a process for identifying and noncompliance with correcting established performance measures, including sanctions applicable for instances of continued noncompliance with performance measures.

[(i)] (j) The single point of entry servicer shall send an application and supporting documents to the commissioner for determination of eligibility of a child who resides in a household with a family income of one hundred eighty-five per cent or less of the federal poverty level. The servicer shall enroll eligible beneficiaries in the applicant's choice of managed care plan. Upon enrollment in a managed care plan, an eligible HUSKY Plan Part A or Part B beneficiary shall remain enrolled in such managed care plan for twelve months from the date of such enrollment unless (1) an eligible beneficiary demonstrates good cause to the satisfaction of the commissioner of the need to enroll in a different managed care plan, or (2) the beneficiary no longer meets program eligibility requirements.

[(j)] (k) Not more than twelve months after the determination of eligibility for benefits under the HUSKY Plan, Part A and Part B and annually thereafter, the commissioner or the servicer, as the case may

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- 215 be, shall determine if the child continues to be eligible for the plan. The 216 commissioner or the servicer shall mail an application form to each 217 participant in the plan for the purposes of obtaining information to 218 make a determination on eligibility. To the extent permitted by federal 219 law, in determining eligibility for benefits under the HUSKY Plan, Part 220 A and Part B with respect to family income, the commissioner or the 221 servicer shall rely upon information provided in such form by the 222 participant unless the commissioner or the servicer has reason to 223 believe that such information is inaccurate or incomplete. The 224 determination of eligibility shall be coordinated with health plan open 225 enrollment periods.
- [(k)] (1) The commissioner shall implement the HUSKY Plan, Part B while in the process of adopting necessary policies and procedures in regulation form in accordance with the provisions of section 17b-10.
  - [(l)] (m) The commissioner shall adopt regulations, in accordance with chapter 54, to establish residency requirements and income eligibility for participation in the HUSKY Plan, Part B and procedures for a simplified mail-in application process. Notwithstanding the provisions of section 17b-257b, such regulations shall provide that any child adopted from another country by an individual who is a citizen of the United States and a resident of this state shall be eligible for benefits under the HUSKY Plan, Part B upon arrival in this state.
- Sec. 3. (*Effective July 1, 2006*) The sum of \_\_\_\_\_ dollars is appropriated to the Department of Social Services, from the General Fund, for the fiscal year ending June 30, 2007, for the purpose of providing the department with the funds to implement the public information and outreach activities specified in section 17b-297 of the general statutes.
- Sec. 4. Section 17b-261c of the general statutes is repealed. (*Effective July 1, 2006*)

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This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2006	17b-261
Sec. 2	July 1, 2006	17b-292
Sec. 3	July 1, 2006	New section
Sec. 4	July 1, 2006	Repealer section

HS Joint Favorable Subst. C/R

APP